ENHANCING CAPACITY FOR LOW EMISSION DEVELOPMENT STRATEGIES/EC-LEDS CLEAN ENERGY PROGRAM

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FINAL QUARTERLY REPORT

OCTOBER 1, 2014 – DECEMBER 31, 2014

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Acronyms

BAU	Business as usual
BEO	Bureau Environmental Officer
BREEAM	Building Research Establishment Environmental Assessment Method
CA	Condominium Associations
CE	Categorical exclusion
COM	Covenant of Mayors
DCA	Development Credit Authority
DWG	Decision Ware Group
EA	Environmental assessment
EC	European Commissions
EC-LEDS	Enhancing Capacity for Low Emission Development Strategies
EE	Energy efficiency
EEC	Energy Efficiency Center
EIPMP	Emission Inventory, Projection, and Mitigation Planning
EMMP	Environmental Monitoring and Mitigation Plan
EPI	Economic Prosperity Initiative
ERN	European Regional Network
EWG	Expert Working Group
FFC	Fast Forward Communications
GB	Green building
GBCWG	Green Building Certification Working Group
GBCG	Green Building Council Georgia
GDP	Gross Domestic Product
GeMunee	Georgian Municipal Energy Efficiency
GHG	Greenhouse gases
GOG	Government of Georgia
HPEP	Hydropower Policy and Energy Planning
ICMA	International Capital Market Association
IEE	Initial Environmental Examination
INRMW	Integrated Natural Resource Management in Watersheds of Georgia
LED	Low emission development
LEED	Leadership for Energy and Environment Design
LEDS	Low Emission Development Strategy(ies)
MDF	Municipal Development Fund
MENRP	Ministry of Environment and Natural Resources Protection
MOE	Ministry of Energy
MOE-AD	Ministry of Energy Analytical Department
MRV	Monitoring, Reporting and Verification
Muni-EIPMP	Municipal Inventory, Projection and Mitigation Planning
NAMA	Nationally Appropriate Mitigation Actions
NATELI	New Applied Technology Efficiency and Lighting Initiative
NDC	Nationally Determined Contribution
NEO	New Economic Opportunities
NGO(s)	Non-Governmental Organization(s)
PEA	Programmatic Environmental Assessment
PMP	Performance Monitoring Plan
PPP	Public private partnerships

PWD	People with Disabilities
RE	Renewable energy
RFA	Request for Applications
RFP	Request for Proposals
RS	Rating systems
RSERC	Regional Sustainable Energy Resource Centers
SC	Steering Committee
SDAP-Center	Sustainable Development and Policy Center
SEAP	Sustainable Energy Action Plan
SEO	Sustainable Energy Office
SS	Scoping statement
SUDeP	Sustainable Urban Demonstration Projects
SWG	Sub working group
TOR	Terms of Reference
UN	United Nations
USAID	United States Agency for International Development
USG	United States Government

I. EXECUTIVE SUMMARY

Georgia's Enhancing Capacity for Low Emission Development Strategies (EC-LEDS) Clean Energy Program, funded by the United States Agency for International Development (USAID), is a five-year (October 2013 – September 2018) effort[1] focusing on three activities: 1) Georgian Municipal Energy Efficiency (GeMunee); 2) Green Building Rating and Certification System; and 3) National EC-LEDS Working Group and Advisory Assistance. Winrock International has been awarded a cooperative agreement to implement Georgia's EC-LEDS Clean Energy Program to support climate change mitigation by building municipal capacity in climate change mitigation measures and raising public awareness; increasing private sector investment in energy efficiency (EE) and green buildings (GB); and strengthening Government of Georgia (GOG) capacity to develop and implement a national Low Emission Development Strategy (LEDS). This report represents the Year 2, Quarter 1 report for the EC-LEDS Clean Energy Program covering the period October 1, 2014 through December 31, 2014.

Key Achievements (Qualitative Impact)

The objectives of the EC-LEDS program are to (1) support Georgian municipalities in institutionalizing and implementing climate change mitigation measures, (2) promote and facilitate private sector investment in energy efficiency and green buildings, and (3) build the capacity of the GOG to develop and implement a national Low Emission Development Strategy in support of the United States Government (USG) EC-LEDS initiative. During the five years, the EC-LEDS Clean Energy Program is expected to reduce greenhouse gas (GHG) emissions in Georgia by at least 236,372.9 metric tons of CO_2 equivalent, facilitate up to $14 million in private sector investments in clean energy, and lead to energy savings of up to 315 GWh (the equivalent of approximately $22 million).

Progress during the quarter for each component is summarized below.

Component 1: Georgian Municipal Energy Efficiency (GeMunee)

Develop and Implement Sustainable Energy Action Plans (SEAPs)
Nine cities in Georgia that are current signatories to the Covenant of Mayors (COM) and are thus given priority for receiving technical assistance. They are Batumi, Gori, Kutaisi, Poti, Rustavi, Tbilisi, Zugdidi, Telavi, and Akhaltsikhe (which joined in November 2014). During this quarter, EC-LEDS updated the list of potential municipalities for elaboration of SEAPs, according to the criteria agreed with USAID in Year 1. USAID approved the revised list of the top 10 municipalities which, in priority order, are: Batumi, Gori, Kutaisi, Tbilisi, Telavi, Poti, Rustavi, Zugdidi, Akhaltsikhe, and Mtskheta-Mtianeti). Of these 10 municipalities, EC-LEDS has already supported Batumi, Kutaisi, and Zugdidi in preparing SEAPs. In Year 2 the

[1] The EC-LEDS Program is a 5-year program with two phases. In Phase 1, Winrock International will oversee the program and conduct an assessment of local organizations to continue implementing the first two components, 1 and 2 through years 3 – 5 as determined by USAID. In year 4, Winrock will have only an oversight role for the local organizations, who may continue implementation in year 5. Winrock's CA ends in September, 2017.

program will focus on municipalities chosen from the remaining seven. Two new SEAPS will be developed for Poti and Telavi, and SEAPS will be updated for Gori (based on feedback from the COM) and Tbilisi (based on monitoring of the city's existing SEAP). After identifying the municipalities, EC-LEDS began the process of gathering data to assist Poti in developing a SEAP, Gori in revising its SEAP, Tbilisi in monitoring and revising its SEAP, and Zugdidi and Kutaisi in finalizing approval and submission of their SEAPs to the COM.

In Year 1, EC-LEDS developed a simple, bilingual inventory and projection tool for municipalities – the Muni-EIPMP tool – which draws information from the national MARKAL-Georgia model. At the end of Year 1, the first official version of this tool was finalized and presented to the municipalities at a workshop in Batumi. During this quarter, EC-LEDS continued to enhance the tool to incorporate emission inventories for several years, which will help the municipalities to monitor their emissions. Also during this quarter, 12 municipality and city representatives received training on GHG inventories, Business as Usual (BAU) scenarios, and mitigation measures.

Establish Sustainable Energy Offices or Regional Sustainable Energy Resource Centers
During this quarter, the EC-LEDs team completed an assessment of the legal foundation for participating municipalities to establish Sustainable Energy Offices (SEOs) or Regional Sustainable Energy Resource Centers (RSERCs). A review of the current laws on local authorities and the intended functions of the SEOs and RSERCs led to the conclusion that SEOs can exist only within the structure of an executive office of the city mayor or area Gamgebeli. Therefore, initially SEOs will need to be formed as structural units of the municipality, with the aim that the municipality will later spin off the units as partially or wholly municipality-owned, limited liability companies.[2]

In December 2014, EC-LEDS conducted meetings with the municipalities of Tbilisi, Kutaisi, Batumi, Zugdidi, Gori, and Rustavi to present the findings of the SEO legal analysis and determine the future course of action. Following agreement with the municipalities, EC-LEDS will begin supporting the next steps of SEO formation, including amending municipal charters and unit structures, submitting them to the Sakrebulos[3] for approval, and clarifying the SEO business model.

Develop Monitoring/Reporting/Verification Plans
Monitoring of Tbilisi's SEAP for the period 2011-2014, based on the municipality's MRV plan, began this quarter with data collection.

Develop Sustainable Energy Public Awareness Plans
The team met with municipalities in the west to plan local public awareness activities and events for Year 2. Information gathered through focus groups in Zugdidi and Kutaisi, followed by statistically based surveys, will be used in designing Community Based Social Marketing (CBSM) campaigns. The campaigns will include increasing students' involvement

[2] This structure will not impact their functions. However, when these SEOs are established as partially or completely municipality- owned Ltds, they will be able to generate income independently

[3] City Councils

in greening activities in Kutaisi and installation of energy efficient lighting in Zugdidi residences.

Identify and Implement Demonstration Projects via Partial Grants
During this quarter, USAID approved the program Grants Manual and Request for Applications (RFA) template. In December, EC-LEDS issued RFAs in the municipalities of Tbilisi, Kutaisi, Zugdidi, Batumi, Gori, and Rustavi. The grants are expected to be awarded in Quarter 2.

Development Credit Authority Guarantees and Financial Institution Assistance
The team did not pursue Development Credit Authority (DCA) activities during this quarter, including training for financial institutions, because USAID put the program on hold. Since USAID now expects to develop a DCA that will be finalized in Year 2, EC-LEDS plans to provide DCA assistance in Year 3.

Component 2: Green Building Rating and Certification System

Develop and Implement a Voluntary System for Rating and Certifying Energy Efficient and Green Buildings
The EC-LEDS team trained technical experts on LEED and BREEAM rating systems, with a special focus on LEED certification for new and existing buildings, in preparation for their accreditation as green building certifiers. The 10 participants learned basic information about the pre-requisites and criteria for certifying buildings according to these rating systems. After approximately 3 months of self-study following this training, they will be prepared to take the LEED Associate exam, the first step in becoming a LEED accredited professional.

The team also worked on the task of developing an energy performance methodology, beginning with a comparison of the requirements under the EU's Energy Performance Building Directive and the International Code Council Energy Performance Code. This is the first step in recommending a methodology, linking it to energy performance labeling software and incorporating it into an energy performance labeling program.

Develop and Implement a Promotional Strategy and Campaign
EC-LEDS began work on a Marketing Action Plan for implementing the GB Marketing Strategy and conducting competitions to recognize and certify existing and new green buildings, complemented by outreach to the public and student competitions to build demand for energy efficient and green buildings. The draft Marketing Action Plan currently targets foreign and Georgian companies for certification using LEED and BREEAM; the team began meeting with these companies during this quarter. The team also initiated planning for a Green Building of the Year Award, to be announced at the beginning of quarter 2, and a competition for Best Green Building Design (targeted to university students) to further promote GB certification. Filming of a youth TV program focused on "Green Architecture" is planned. The program will be aired on Thursday evenings for 6 weeks beginning in January.

Develop Monitoring/Reporting/Verification (MRV) Plans

EC-LEDS began developing the framework for MRV during this quarter and will continue the work into the next quarter. This framework will be incorporated into the Georgian rating system being developed and will guide development of MRV plans for buildings certified with support from the EC-LEDS program, including winners of the Green Building of the Year Award and the Green Building Design Competition.

Component 3: National EC-LEDS Working Group and Advisory Assistance

Capacity building during this quarter included organizing meetings to present emissions projections and potential mitigation policies and discuss selecting mitigation policies for analysis and preparing data to analyze the impact of those policies on emissions. Meetings began with an Expert Working Group (EWG) meeting at the Ministry of Energy to review the non-energy proxy BAU scenarios (the energy BAU was presented at the end of Year 1). At the request of the Ministry of Energy, EC-LEDS is revising the energy BAU scenario presented in Year 1. Meetings of the SWG chairs (the "planning team") focused on current policies and programs, potential LEDS policies, and a timeline for analyzing and discussing LEDS policy options. EC-LEDS outlined an approach to the policy analysis that includes initial scenario analysis with emissions targets against specific metrics, selection by the SWGs of mitigation policies for further analysis, and analysis of emissions impacts and cost-effectiveness of these policies.

Environmental Protection Activities

The Programmatic Environmental Assessment (PEA), submitted in draft during Year 1, was revised during this quarter and will be resubmitted to USAID next quarter.

Cross-Cutting Activities

EC-LEDS finalized a 70-second Public Service Announcement (PSA), to be launched in mid-February 2015, while the previous 15-second PSA continues to be aired. The team produced and distributed a quarterly newsletter and drafted a Facebook campaign strategy, currently under design.

Students from the "Momavlis Taoba" (Future Generation) Program Civics Club participated in a youth energy efficiency event, "Energy Efficiency Is a Smart Choice," in Kutaisi, Zugdidi, and Batumi on December 16-18, 2014, organized by EC-LEDS. The event was attended by 75 students and ended with a competition. The first two hours were dedicated to a seminar titled "How to Save Energy" focused on the importance of energy efficiency and methods of saving energy, energy audits and energy efficient technologies, energy efficiency and renewable energy technologies and donor-funded energy efficiency, renewable energy and climate change projects. The top three winners were awarded with medals and all students were awarded Certificates of Participation.[4]

EC-LEDS continued to communicate and cooperate with other USAID programs, including G4G, Waste Management Technologies in Regions, and other donors and donor-funded

[4] See Annex III Success Stories

programs, including the EU's Clima East, German-funded support for Buildings NAMA, and GIZ's support for Georgia's Intended Nationally Determined Contribution (INDC).

EC-LEDS developed a short list of four organizations to be assessed for receiving a direct USAID grant in Phase II of the program. USAID's Organizational Capacity Assessment (OCA) tool will be adapted and the OCA conducted in the next quarter.

Program Progress (Quantitative Impact)

During the reporting period, all the activities/actions were directed towards meeting the targets assigned for Year 2, however not all the actions can be quantified yet, as the process is ongoing and most of the results will be measured at the end of Year 2 and some of the them mid-year. However, the indicators OP3, OP4, OP6, OP10, OP11, OP12, OP16, OP18, OP19, OP23 demonstrated progress against defined targets.

The targets for indicators OC2, OC3, and OC4 have been changed/amended. For OC2, the target from Year 1 was moved to Year 5; for OC3 the target was moved from Year 1 to Year 5; and for OC4, the target was moved from Year 1 and added to Year 2. Justification for these changes was outlined in the EC-LEDS Annual Report and the Year 2 Workplan.

Project Administration

Constraints and Critical Issues
EC-LEDS faced serious challenges related to regular communication with and feedback from the representatives of Poti Municipality. If this issue is not resolved, EC-LEDS will replace Poti with Akhaltsikhe Municipality.

Now that the INDC is a priority for MENRP, the Climate Change office is focused primarily on the BAU and is not focusing on a mitigation option analysis. This could change if the Prime Minister's Economic Council agrees to take over the coordination of LEDS, as the MENRP First Deputy will request, or if the First Deputy provides his support and encourages to a more coordinated and active LEDS process within MENRP.

Personnel
Two new employees, an Environmental Compliance Specialist and a Monitoring and Evaluation Specialist, will join the EC-LEDS team on January 1, 2015. In addition, consultants were hired to support the organizational assessment work and to provide the youth energy efficiency and renewable energy training.

Cooperative Agreement Modifications and Amendments
In this quarter, Winrock's Cooperative Agreement was modified once (the fourth amendment) to add mandatory provisions on USAID Implementing Partner Notice (IPN) and Submission Datasets to Development Data Library (DDL) and Whistle Blower protection.

Lessons Learned

The impact of local elections demonstrated the need for flexibility in developing and implementing SEAPS, including regarding commitments of municipal budgets for SEAP projects.

Though the coordination of the LEDS has been challenging, the SWGs are interested in the mitigation analysis, and highlighting their authority under the approved Terms of Reference is proving to be a useful approach in engaging them in developing the LEDS. However, sectorial experts will still be needed to assist the Ministries in identifying appropriate mitigation policies, integrating these into their development plans, and drafting their LEDS based on the analysis to be completed using MARKAL Georgia.

II. KEY ACHIEVEMENTS (Qualitative Impact)

The EC-LEDS Clean Energy Program, funded by USAID/Caucasus, is a four-year program implemented by Winrock International to support Georgia's efforts to increase climate change mitigation through energy efficiency and clean energy. The broader goal is to enable more responsible management and development of Georgia's natural endowments. The objectives of the program are to:

- Support Georgian municipalities in institutionalizing and implementing climate change mitigation measures;
- Promote and facilitate private-sector investments in energy efficiency and green buildings; and
- Build the capacity of the GOG to develop and implement a national Low Emissions Development Strategy in support of the U.S. Government EC-LEDS initiative.

Components 1 and 2 will be implemented throughout the four years and Component 3 will be completed by the end of the third year.

During the four years of the program, the EC-LEDS Clean Energy Program is expected to reduce GHG emissions in Georgia by at least 236,372.9 metric tons of CO_2 equivalent, facilitate up to $14 million in private sector investments in clean energy, and lead to energy savings of up to 315 GWh (the equivalent of approximately $22 million).

Component 1: Georgian Municipal Energy Efficiency (GeMunee)

The technical assistance provided by the EC-LEDS program to 10 municipalities includes:

- Development and implementation of SEAPs;
- Establishment of Sustainable Energy Offices or Regional Sustainable Energy Resource Centers;
- Development of Monitoring/Reporting/Verification Plans;
- Development of Sustainable Energy Public Awareness Plans;
- Identification and implementation of Demonstration Projects via Partial Grants; and
- Development Credit Authority Guarantees and Financial Institution Assistance.

Nine cities in Georgia are currently signatories to the Covenant of Mayors (COM) and thus are given priority for assistance. These cities are Batumi, Gori, Kutaisi, Poti, Rustavi, Tbilisi, Zugdidi, Telavi, and Akhaltsikhe (which joined in November 2014).

Sustainable Energy Action Plans (SEAPS)

Selection of priority municipalities

During this quarter, EC-LEDS updated the list of potential municipalities for elaboration of SEAPs. In addition to the criteria developed and agreed with USAID in Year 1, other issues were taken into account to revise the list of top 10 municipalities to be assisted under Component 1 of the EC-LEDS project during the period of 2013-2016.

To ensure consistency and objectivity, EC-LEDS updated information used to evaluate the municipalities against the original criteria and re-ranked the municipalities accordingly. Most of the required information was updated through group and/or individual meetings as well as email/phone communication with the municipality representatives (e.g., criteria 1, 3, 4, and 5), while other criteria required collection of additional data by the municipalities (e.g. criteria 6, 7 and 8) during Year 1.

The following eight criteria, together with weights for each, were used to assess potential municipalities for elaboration and implementation of SEAPs.

Table 1. Selection criteria and weights for municipality assessment

N	Selection Criteria	Weights of Criteria
1	COM signatory city/municipality or strong intention to join COM	10
2	Increase in GHG emissions caused by economic or population growth for the past three years	7
3	Willingness of a municipality to address emissions through facilitation and implementation of energy efficiency improvements	8
4	Willingness of a municipality to work with the EC-LEDS program (yes/no)	This criterion is not weighted in the multi-criteria assessment and has only a filter function. If the municipality is not clearly willing to cooperate, EC-LEDS is unlikely to commit any effort to work with it.
5	Willingness of the municipality to contribute with human resources, especially to ensure implementation and monitoring of the SEAP	9
6	Annual expenditure in a municipality for infrastructure improvements/construction	10
7	Total population within the municipality	5
8	Annual energy consumption in municipality (if known)	4

The only criterion not updated was criterion 8, municipal energy use. Only a few municipalities managed to provide complete information on different types of energy consumption, including electricity, fuel, natural gas, and wood. Since this information was incomplete, EC-LEDS decided to rely on the energy use data from Year 1.

The information gathered from municipalities during individual and group meetings is summarized below.

1. Batumi

The SEAP for the City of Batumi is updated and ready to be submitted to the COM. The

municipality remains very committed and interested in implementing the SEAP to meet obligations and continue collaboration with EC-LEDS program.

2. Kutaisi
Kutaisi drafted its SEAP in Year 1 and is ready to submit it to the COM. As with Batumi, the municipality remains committed to fulfilling its obligations under the COM and implementing concrete measures to achieve the objectives of its SEAP.

3. Gori
During a meeting at the Municipality of Gori, the Mayor confirmed his interest in collaborating with EC-LEDS to revise Gori's existing SEAP in response to comments and feedback from the COM. The Mayor's number one priority is to develop the transport sector sustainably. Gori sent an official letter expressing interest in being considered for SEAP assistance under the EC-LEDS program.

4. Tbilisi
During a meeting at the Tbilisi City Hall, the newly elected Mayor Mr. David Narmania expressed readiness and interest in collaborating with the EC-LEDS program, including monitoring and reporting on the implementation of the existing Tbilisi SEAP and update of the SEAP based on the monitoring results. He appointed a SEAP working group under the supervision of the Deputy Mayor, Mrs. Nina Khatiskatsi.

5. Poti
At a meeting with the Poti Mayor and Deputy Mayor, the Mayor expressed strong interest in successfully developing and implementing a SEAP. Poti sent an official letter expressing interest in receiving support from the EC-LEDS program. The deadline for Poti to submit its SEAP has already expired and, thus, assistance to Poti is time-sensitive.

6. Rustavi
Rustavi Municipality expressed interest in updating its existing SEAP with EC-LEDS technical support. Formal meetings with the Vice -Mayor and coordinators of SEAP were organized to confirm this interest. Rustavi Municipality is currently amending its existing SEAP based on recommendations received from the COM on its initial SEAP submission. Rustavi will require support for monitoring and updating its SEAP at a later stage. EC-LEDS will review potential assistance once the deadlines for completing its monitoring plan and SEAP update are received from the COM office.

7. Zugdidi
In Year 1, Zugdidi completed its SEAP and is now ready to submit it to the COM. During meetings with the municipality and Sakrebulo officials, they expressed their readiness and commitment to support the implementation of the SEAP and further collaboration with the EC-LEDS program.

8. Zestaponi
In a meeting with the Gamgebeli of the Zestaphoni Municipality and SEAP coordinator, the representatives of Zestaponi Municipality informally expressed interest in becoming involved in the COM process in the near future and in collaborating with the EC-LEDS

program. Though officials do not have an exact timeline for joining the COM, they mentioned that priorities for their SEAP would be industry, public lighting, and, most likely, agriculture.

9. Khashuri
EC-LEDS met with the newly elected Gamgebeli of the Khashuri Municipality to introduce the COM initiative and the main principles of SEAPs. Although general interest exists in implementing energy efficiency activities within the municipality, the Governor did not express specific interest in joining the COM. EC-LEDS provided him with additional information as well as examples of SEAP documents to highlight the potential benefits of the COM process.

10. Sagarejo
Sagarejo Municipality informally expressed interest in developing a SEAP, but did not express a specific intention to sign the COM.

11. Telavi
The city of Telavi joined the COM in 2014 and expressed interest in preparing a SEAP within one year with the support of the EC-LEDS program.

12. Akhaltsikhe
At a meeting with the Mayor of Akhaltsikhe, he noted that the municipality signed the COM in late November 2014. He expressed interest in receiving support from the EC-LEDS program. The Mayor communicated a strong vision and concrete ideas on how to make the city energy efficient (in the waste, street lighting, and building sectors).

13. Ozurgeti
In a meeting with the newly elected Mayor and Deputy Mayor of Ozurgeti Municipality, EC-LEDS introduced the COM and SEAPs. Although general interest exists in implementing energy efficient activities within the municipality, the Mayor did not express a clear intention to sign the COM. EC-LEDS provided him with additional information and examples of SEAPS to communicate the potential benefits of the COM.

14. Mtskheta – Mtianeti (including Mtskheta and Kazbegi Municipalities)
A meeting was held with the First Deputy of the Governor of Mtskheta- Mtianeti region, Mr. Koba Arabuli, and SEAP coordinator, Mr. Shalva Givishvili. They expressed strong interest in joining the COM and developing a SEAP.

Based on the information gathered from the municipalities through individual meetings, phone/ email communication, and data that the municipalities provided and that the EC-LEDS team analyzed and ranked according to the agreed criteria, the following top 10 municipalities were identified for support from the EC-LEDS project (also see Table 2). USAID approved this revised list of top 10 municipalities during quarter 1:

1. Batumi (supported in Year 1)
2. Gori
3. Kutaisi (supported in Year 1)

4. Tbilisi
5. Telavi
6. Poti
7. Rustavi
8. Zugdidi (supported in Year 1)
9. Akhaltsikhe
10. Mtskheta-Mtianeti

Table 2. Revised multi-criteria analysis for updated selection of SEAP municipalities

Municipality	Criteria 1 (10)	Criteria 2 (7)	Criteria 3 (8)	Criteria 5 (9)	Criteria 6 (10)	Criteria 7 (5)	Criteria 8 (4)		Total scores	Rank
Akhaltsikhe	50	9	40	45	140	10			294	9
Batumi	150	14	120	135	150	60			629	1
Gori	150	0	120	135	130	55			590	2
Khashuri	0	0	0	0	70	25			95	13
Kutaisi	150	10	120	135	100	65			580	3
Ozurgeti	0	4	0	0	0	45			49	14
Mtskheta-Mtianeti	50	4	40	45	80	15			234	10
Poti	150	6	80	135	120	5			496	6
Rustavi	150	11	120	135	0	50			466	7
Sagarejo	50	8	40	0	110	20			228	11
Tbilisi	150	13	120	135	90	60			568	4
Telavi	150	12	120	135	60	30			507	5
Zestafoni	50	5	40	45	0	40			180	12
Zugdidi	150	7	120	135	0	35			447	8

Of these 10 municipalities, EC-LEDS already supported Batumi, Kutaisi, and Zugdidi municipalities to prepare SEAPs in Year 1. Therefore, in Year 2 we will focus on municipalities chosen from the remaining seven municipalities and will develop or update four SEAPs for the following municipalities: Gori, Telavi, Poti, and Tbilisi.

Develop Muni-EIPMP Analytical Tool. At the end of Year 1 of the EC-LEDS program, the first official version of the Muni-EIPMP tool was finalized and presented to the municipalities at a workshop in Batumi. The tool includes functionality for data gathering, greenhouse gas (GHG) inventory preparation, and Business-As-Usual (BAU) projections for transport, building, and public lighting sectors. The tool is bi-lingual – all of its contents are in both English and Georgian.

During Quarter 1 of Year 2, EC-LEDS continued to correct bugs and enhance the tool. The software now enables municipalities to incorporate emission inventories for several years, which will help them monitor their emissions. Work is ongoing to enable selection from various BAU projections, namely: a BAU from MARKAL-Georgia, a BAU from the EU's Joint Research Center (JRC), or other national BAU projections. This will allow municipalities to use whatever national projection is most appropriate to the municipality's situation. If an approved BAU from the MARKAL model is available, it will provide more detailed sub-

sectoral projection. If such a BAU is not approved or available, other national projections may be used. If no national projections are available, the municipality may use the EU's JRC pre-defined methodology.

Develop and conduct workshops and on-the-job training on SEAP development and monitoring

A hands-on training workshop was held on November 27, 2014, at the Technical University of Georgia. The subject of the workshop was "Inventory of GHGs, development of Business as Usual (BAU) scenarios, and mitigation measures in the transport, outdoor lighting, and building sectors." Representatives of 12 self-governing cities and municipalities involved in the COM process participated in the training. Best practices in statistical data collection, development, and application were exchanged among participants. After presentations, the participants worked on a hands-on analysis using the muni-EIPMP tool.

Assist in developing, revising, and updating SEAPS for municipalities with priority need

After identifying the municipalities for this year, EC-LEDS began the process of data gathring to assist Poti and Telavi in elaborating their SEAPS; Gori in revising its SEAP; Tbilisi in conducting SEAP monitoring and revision; and Zugdidi and Kutaisi in finalizing approval and submission of the SEAPs to the COM.

Poti
After meeting with the Mayor and First Deputy Mayor of Poti Municipality in October 2014, EC-LEDS identified independent local experts for the public lighting, waste/wastewater, and greening sectors to gather relevant data on a local level. The draft data on public lighting, waste, and greening was submitted in December. Since the first meeting, however, the team has had difficulty obtaining feedback from Poti Municipality representatives on addressing identified barriers and next steps.

In the next quarter, EC-LEDS will continue to work with the independent experts, but will shift most effort to beginning the SEAP process in Telavi earlier than planned. If the situation does not change in the next quarter, EC-LEDS will consider replacing Poti with Alkhaltsikhe municipality, which signed the COM at the end of November.

Gori
The COM deemed Gori's initial SEAP to be non-compliant. Gori will address the compliance issues, which relate to missing data, costs, expected energy savings, and estimated emissions reductions, when updating the SEAP. Also, Gori decided that its revised SEAP will use the BAU scenario approach rather than the fixed baseline year approach[5] used for the initially submitted SEAP. An expert to gather local data was hired, and data on public lighting was submitted in Quarter 1.

[5] SEAPs supported by USAID (Batumi, Kutaisi, Zugdidi to date under EC-LEDS and Tbilisi under the Nateli project) applied the BAU methodology to project future emissions. However, the Gori and Rustavi SEAPs were elaborated independently, without USAID assistance. Those SEAPS used the baseline year methodology for projecting future emissions, rather than the BAU methodology. Since Gori is developing economically, and has ambitious plans for the future that will increase energy consumption, they decided to calculate emissions reduction targets against a BAU scenario in the revised SEAP.

Tbilisi
In Quarter 1, EC-LEDS presented the SEAP, BAU methodology, and MRV plan for Tbilisi at two meetings with municipality SEAP representatives appointed by the Mayor. Effort will focus initially on SEAP monitoring, followed by updating the SEAP. Two independent experts were contracted to conduct the inventory of all implemented measures in the building sector.

Telavi
At an initial meeting with Telavi in Quarter 1, it was agreed that Telavi's SEAP process would begin after January 2015.

Kutaisi
In November 2014 the Kutaisi SEAP was approved by the City Council. EC-LEDS assisted the municipality in completing its SEAP template and uploading the revised SEAP to the COM web site.

Zugdidi
Minor comments and revisions provided by Zugdidi municipality were integrated into the final document. Zugdidi municipality became the legal successor of the COM commitment[6] and is currently awaiting the City Council's approval of the document.

Establish Sustainable Energy Offices or Regional Sustainable Energy Resource Centers

During this quarter, the EC-LEDs team completed an assessment of the legal foundation for establishing Sustainable Energy Offices (SEOs) or Regional Sustainable Energy Resource Centers (RSERCs). The main functions of SEOs are envisioned as follows:

- Responsible for data collection, analysis, and monitoring for SEAPs under COM requirements;
- Produce original data on energy consumption and GHG emissions on municipal level;
- Maintain a database of information on energy efficient and renewable energy technologies and their applicability in Georgia;
- Maintain a list of high-quality providers of building energy audits and facilitate connections between auditors and project developers;
- Assist municipalities in conducting technical and financial analysis of potential mitigation projects; and
- Assist municipalities with development of financing strategies and acquisition of project financing.

A review of the current laws on local authorities and the above mentioned functions led to the following conclusions:

[6] Prior to 2014, municipalities included the city and surrounding areas. In 2014, newly enacted legislation separated the cities from the surrounding areas, creating two municipalities. The newly created "city" municipality must legally take on the COM commitment. The COMO-East is assisting Zugdidi to re-integrate for SEAP implementation because there are high emissions in the peri-urban areas.

- SEOs and their responsibilities are considered executive functions (as opposed to *representative*/*legislative* functions) of the municipality. Therefore, an SEO unit can exist only within the structure of an executive office of the city mayor or area Gamgebeli.

  The Executive branch of the municipality functions through its structural units. The Mayor or Gamgebeli is responsible for allocating responsibilities between the structural units of the Mayor's and Gamgebeli's offices.

- The SEO structure will be approved by the Sakrebulo. Bylaws, on the other hand, are approved by the Mayor or Gamgebeli.

Initially, SEOs will be formed as structural units of the municipality, with the aim that the municipality will later spin off these units as partially or wholly municipality-owned, limited liability companies. While the SEOs will be financed through standard municipal budgeting processes, municipalities may also receive grants (financial or TA) to support the SEO's operation.

In December 2014, EC-LEDS conducted meetings with the municipalities of Tbilisi, Kutaisi, Batumi, Zugdidi, Gori, and Rustavi to present the findings of the SEO legal analysis and determine the future course of action. Municipalities are currently reviewing the legal memo. A soon as municipalities have accepted the proposed legal form of SEOs, EC-LEDS will begin supporting the next steps of SEO formation, namely:

- Elaborate standard amendments to the municipalities' charters;
- Elaborate each SEO's structural unit charter and personnel chart;
- Submit the above to each Sakrebulo for approval;
- Form SEOs upon approval of each Sakrebulo; and
- Provide external assistance (capacity building, best practices, etc.)

EC-LEDS will also conduct a study of, and work with municipalities to agree on, the appropriate business models for the planned SEOs.

Develop Monitoring/Reporting/Verification (MRV) Plans

In Year 1, EC-LEDs finalized the MRV Framework and Methodology, along with a Monitoring and Reporting Plan for Tbilisi. The framework includes general principles and provides a methodology and approach for monitoring SEAP implementation, including relevant sectors and parameters, and provides potential structures for allocating responsibility for monitoring and reporting within municipalities.

All SEAP documents will include MRV plans that are based on the MRV framework developed during Year 1. An MRV plan for Tbilisi was included in the MRV framework report. Monitoring of Tbilisi's SEAP for the period 2011-2014 will take place during Year 2, based on its MRV plan. The monitoring began during this with data collection on various sectors.

Develop Sustainable Energy Public Awareness Plans

The EC-LEDS communications plan completed in Year 1 includes a two-pronged strategic approach to communications:

1) Local information campaigns and events linked to SEAP communications strategies to raise general energy efficiency and conservation awareness; and

2) Local outreach efforts including events linked to SEAP communication strategies and a community-based social marketing (CBSM) pilot to change targeted behavior in selected communities.

These local activities will be complemented by national outreach activities, described in the cross-cutting section of this report. In Year 1, EC-LEDS assisted Batumi, Zugdidi, and Kutaisi in developing a communications strategy to be incorporated into their SEAPs. In Year 2, EC-LEDS will draft outreach strategies for all municipalities assisted with drafting or updating SEAPs (except for municipalities that already included an outreach strategy in their initial SEAP, e.g. Gori). This includes the update of Tbilisi's SEAP as the outreach strategy for their initial SEAP was to be supported by GIZ; however, this assistance was never provided. In December 2014, during meetings with COM signatories, EC-LEDS discussed potential local outreach activities to be conducted during Year 2.

At the end of Year 1, based on the results of the Knowledge, Attitudes and Behaviors (KAB) baseline survey and a review of completed SEAPs, EC-LEDS selected Zugdidi and Kutaisi to implement CBSM campaigns to promote installation of CFL bulbs (in Zugdidi) and youth participation in greening activities (in Kutaisi). In this quarter, focus groups were held in Zugdidi and Kutaisi to identify barriers and benefits/motivators for changing the target behaviors of the target groups, e.g. increasing students' involvement in greening activities in Kutaisi and installation of energy efficient lighting in Zugdidi. Based on focus group findings, a survey instrument was finalized and used in interviews conducted in both cities in mid-December to validate the barriers and benefits/motivators. Once the research report is finalized, EC-LEDS will design and launch the two CBSM pilot campaigns.

Identify and Implement Demonstration Projects via Partial Grants

USAID approved the EC-LEDS Grants Manual and Request for Applications (RFA) template for the EC-LEDS partial grants program. EC-LEDS modified the RFA template for each municipality to reflect priority sectors defined in their respective SEAPs. The team also tailored the list of illustrative projects for each municipality to the priorities identified during the meetings held in December with the municipalities of Tbilisi, Kutaisi, Zugdidi, Batumi, Gori, and Rustavi.

During these meetings, EC-LEDS also discussed findings of the study completed in Year 1 that identified and prioritized major local and international companies that are potential candidates for participating in PPPs or committing corporate social responsibility funds for

mitigation projects. After municipalities provide feedback on their priorities, EC-LEDS will present potential projects to the private companies.

In December 2014, EC-LEDS issued RFAs for the six cities mentioned above. The initial timeline for the grants competition is as follows:

January 16, 2015	Deadline for questions on the grant application
January 30, 2015	Deadline to submit grant applications (16:00/4 pm)
February 27, 2015	Committee review; questions issued to potential grantees; USAID approvals
March 6, 2015	Grants applications awarded
March 20, 2015	Grants agreements executed

EC-LEDS is assisting the municipalities in identifying funds to leverage the grants as well as to fully or partially fund additional projects identified through the grants program.

During Year 1, EC-LEDS assisted five local NGOs (in partnership with municipalities) in preparing and submitting concept notes to the European Commission's (EC's) SUDeP program. Two concept notes were shortlisted, and one project that focused on energy efficiency retrofitting of three Rustavi kindergartens was awarded to the NGO Sustainable Development and Policy Center (SDAP) at the beginning of Year 2. Valued at Euro 648,990, the grant is supplemented by a Euro 160,000 contribution from Rustavi Municipality.

Development Credit Authority Guarantees and Financial Institution Assistance

To date the EC-LEDs team has not pursued Development Credit Authority (DCA) activities, including training for financial institutions, because USAID put the program on hold. Since USAID expects to pursue development of a DCA for finalization in Year 2, EC-LEDS will plan DCA assistance for Year 3.

Component 2: Green Building Rating and Certification System

The EC-LEDS program is tasked with recommending, developing, and implementing a voluntary GB rating system in Georgia and conducting outreach activities to promote certification of buildings and public demand for certified buildings. A decision was made to promote certification of buildings based on the criteria of the LEED and BREEAM rating systems and an energy performance labeling program. The reason for focusing on these existing systems was so that certifications could begin immediately and Georgian experts could gain experience with certifying buildings while developing a Georgia-specific system. During the first quarter of Year 2, EC-LEDS provided training in LEED and BREEAM for 10 professionals and began work on an energy performance labeling methodology.

Develop and Implement a Voluntary System for Rating and Certifying Energy Efficient and Green Buildings

Training is the first step in increasing the professional skills and enlarging the pool of experts in Georgia who can certify green buildings for existing rating systems and energy efficient

buildings using energy performance labeling software. EC-LEDS held a train-the-trainer (TOT) event at the end of Year 1 and beginning of Year 2, focused on the Leadership for Energy and Environmental Design (LEED) and Building Research Establishment Environmental Assessment Method (BREEAM) green building rating systems. Training for auditors to offer labeling of building energy efficiency under an energy performance labeling program will also be developed in Year 2.

The TOT was conducted September 30 – October 1, 2014 to provide an introduction to the LEED and BREEAM rating systems and to prepare 10 individuals (supplemented by additional individual study) to take the LEED Associate exam, the first step towards becoming a LEED Accredited Professional. To become a BREEAM licensed certifier, an additional course with an official trainer is required. These trainees will serve as a resource for the GBC Georgia's certification committee and subcommittees (for certifying buildings to LEED and BREEAM, rating systems) and for providing additional trainings. Certificates of attendance were provided to participants, together with the training materials.

The first step in developing an energy performance labeling program is to obtain energy performance labeling software. After completing an ongoing review of the energy performance software including Display (used by the Energy Efficiency Center and already translated into Georgian) and other software, EC-LEDS will decide whether to request a license for the English or Georgian version of Display or use other software to promote energy performance labeling. Once a decision is made on the type of energy performance software to use, and the Display license is obtained if appropriate, a training plan will be developed and an energy performance labeling program will be designed.

The first task in developing an energy performance methodology began in quarter 1, with a comparison of the energy performance methodologies in the EU Energy Performance Building Directive (EPBD) and the International Code Council's (ICC) International Energy Efficiency Code (IECC). A workshop based on this analysis is planned for next quarter to analyze the benefits and drawbacks of developing an energy performance methodology based on EPBD or the IECC Code in light of the policy reflected in the construction code and future EU accession plans. This workshop will also address the future use of the methodology in promoting energy efficiency in buildings.

Development of a certification and accreditation program will begin only once a Georgia-specific system has been developed and an approach is finalized for certifying and accrediting buildings to the Georgia-specific standard. To support development of the Georgian system, GBC Georgia began working with the GBCs in Russia, Kazakhstan, and Azerbaijan to collaborate and share expertise. They are also discussing the idea of each GBC recognizing professionals from the other countries as qualified to certify buildings or audit the certification reports in the other countries.

Develop and Implement Promotional Strategy and Campaign

During Year 1, EC-LEDS produced a Green Building Marketing Strategy for promoting GB certification. During Year 2, we will elaborate a Green Building Certification Marketing Action Plan for implementing the strategy; conduct competitions to recognize and certify

existing and new green buildings; and begin implementation, complemented by outreach to the public and competitions to build demand for energy efficient and green buildings.

In this quarter, work began on drafting the Green Building Certification Marketing Action Plan (Marketing Action Plan) based on the Marketing Strategy prepared in Year 1. The Marketing Action Plan currently targets foreign and Georgian companies for certification using LEED and BREEAM. The plan will be further informed by the market assessment currently being conducted through in-depth interviews. During December 2014, EC-LEDS conducted in-depth interviews with developers, builders, architects, realtors, and banks to understand the construction and building rehabilitation market in Georgia and how green building certification and energy performance labeling could enhance value. The EC-LEDS team will review the results of the interviews and finalize the Marketing Action Plan during the next quarter.

In December 2014, implementation of the marketing action plan to promote LEED and BREEAM certification and GBC Georgia membership began with meetings held with targeted American companies. Companies included Colliers, Cushman-Wakefield, Deloitte Legal, and others. The Radisson Hotel had also expressed interest in learning about green building certification and energy performance labeling, since they have a corporate green policy.

Planning for the Green Building (GB) of the Year Award and the competition for Best Green Building Design (to be targeted to university students) began during this quarter. A working group to plan the GB design competition took place with the participation of university faculty and NGOs. The group decided to hold the competition to design a new kindergarten in Rustavi, where a site has already been identified. A meeting with Rustavi municipality officials will be held next quarter to gain their support and participation.

EC-LEDS participated in a meeting with Tbilisi municipality where a green developer presented his concept for a public-private partnership to develop a green settlement on a brownfield site. The Head of Economic Development intends to discuss the concept with Tbilisi's urban planning and land management offices. The objective is to obtain Tbilisi's commitment to provide a brownfield site and to work together with EC-LEDS and the developer to seek funds (possibly from the EC-LEDS grant program) for a feasibility study for the project.

As part of the EC-LEDS Green Building public awareness campaign, EC-LEDS supports a youth TV program focused on "Green Architecture" to be implemented by the Georgian Association of Landscape Architects and aired as a talk show on TV Channel Ertsulovneba. Participants from different social groups and ages, including students and professionals, will meet and share views and ideas on green building. The program will introduce and promote green building and energy efficiency concepts to the Georgian population. Each program will be aired four times a week: a premier release and three reruns each month, with a total of eight programs per month and 24 programs throughout the life of the project. A total of 112 announcements per month and 336 throughout the life of the project will be aired.

Develop Monitoring/Reporting/Verification (MRV) Plans

The GB Assessment report in Year 1 proposed a framework approach to developing MRV plans for certified buildings. The framework will be fleshed out during Year 2, beginning in this quarter, and will be incorporated into the Georgia-specific rating system and form the basis for developing MRV plans for certified buildings, including the winners of the Green Building of the Year Award and the Green Building Design Contest.

Component 3: National EC-LEDS Working Group and Advisory Assistance

Ensure SEAP Activities Are Consistent with National Policies and Priorities

As the MARKAL Georgia model is used to project the BAU national energy emissions, these projections will form the foundation for finalizing BAU projections for municipalities using the Muni-EIPMP tool. In Year 1, emission factors from MARKAL Georgia were incorporated into the Muni-EIPMP tool. There were no activities in this quarter.

Ensure that Municipal-level Data, Findings, and Results Inform National Policies, Programs and Actions

In this quarter, through the process of updating the BAU emissions projection, EC-LEDS delved into the details of how the HPEP survey and municipal survey data were incorporated into MARKAL Georgia. An addendum to the original BAU report was prepared on the data updated in MARKAL Georgia by EC-LEDS, a necessary step in finalizing the initial reference scenario/Energy BAU.

Analytical Capacity-building

Capacity-building in this quarter focused on enabling the LEDS sub-working groups (SWGs) and the Ministry of Energy's Analytical Department to participate in and understand the policy analysis that will be conducted in support of Georgia's LEDS development. This began with an Expert Working Group (EWG) meeting at the Ministry of Energy in the beginning of October. The non-energy "proxy" BAUs were presented (the energy BAU was presented at the very end of Year 1).

The day before the EWG meeting, a presentation was made to the SWG Chairs (the "planning team") on next steps for LEDS analysis, and a four-hour training session took place for the Ministry of Energy's Analytical Department on how to characterize policy options in MARKAL Georgia. The training focused on templates for keeping data and how to analyze various scenarios. At the planning team meeting, chaired by Deputy Minister Mariam Valishvili in the absence of the head of the Climate Change office, Deputy Minister Valishvili commented that the other ministries (i.e., Agriculture and Waste) need to participate in the LEDS process.

At this first planning team meeting, EC-LEDS staff presented information on the status and outcome of the SWG meetings held the end of Year 1; the results of the SEAPS developed by municipalities during Year 1; and a schedule of meetings and topics for the SWGs and EWG for the remainder of 2014. Many insightful questions were asked about the SEAP mitigation options. Deputy Minister Valishvili also commented about changes she would like to make

in the Energy BAU, namely to address the risk that additional hydro in the west might not be able to be transported to the east; to ensure that the price of natural gas reflects a blend of social and commercial gas costs; and to incorporate probabilities regarding whether the planned hydros with MOUs will be built or not. In a speech about global development in the field of energy and environment, organized by the Minister of Foreign Affairs of Denmark, Deputy Minister Valishvili spoke also about LEDS, stating that the BAU is under way which is very important for Energy Sector Development.

During this quarter, the Industry SWG was assembled by the Ministry of Economy and Sustainable Development, and a first meeting was held to introduce the EC-LEDS program and present the draft Industry Sector BAU completed by EC-LEDS. The SWG members expressed interest in Georgia's commitment to implementing the LEDS and in the financial support from the US and international donors and financial institutions that might be available for its implementation.

With the appointment of new Deputy Ministers in the Ministries of Agriculture and Regional Development and Infrastructure (Waste SWG), EC-LEDS met with the previously appointed SWG chairs and their new Deputy Ministers to acquaint them with, and solidify their commitment to, receiving support from the EC-LEDS program. Deputy Minister Giorgi Koberidze of the Ministry of Regional Development and Infrastructure expressed his deep interest in LEDS and promised support and full cooperation. He also nominated four candidates to the EWG and designated Ms. Khatuna Chikviladze, Advisor to the Director, Solid Waste Management Company of Georgia, as the Waste SWG Chair and liaison to the EWG. The Agriculture Deputy Minister expressed his full support and cooperation as well, and confirmed the role of Ms. Mariam Gelashvili as the liaison to the EWG and Agriculture SWG Chair. Before the Agriculture non-energy BAU developed by the MENRP Climate Change Office could be presented to him as he had requested, he was promoted to First Deputy Minister and a new Deputy Minister was assigned to LEDS. Ministry of Agriculture support for organizing a SWG is still not clear. However, Ms. Gelashvili supports incorporating LEDS concepts and policies into development of the Agriculture Ministry's Action Plan, which will begin as soon as the revised Agriculture strategy is completed.

EC-LEDS also met with Dr. Tamaz Marsagishvili, Deputy Minister of Education and Science, who expressed the willingness of his Ministry to actively participate in the LEDS process. Though he has no staff, he agreed to designate a contact person from the Ministry to participate in the EWG.

The planning team met again in November 2014 at the Ministry of Energy to review the BAU in more detail, to discuss current policies and programs and potential LEDS policies, and to agree on a timeline for analyzing these options with the support of EC-LEDS. Mariam Valishvili, the Deputy Minister, spoke about the importance of long-term planning in the energy sector and underlined the Ministry's priority of using hydro resources for power generation to decrease energy imports, which represent 85% of generation today, and to encourage electricity exports from Georgia. The heads of the Sectorial SWGs were asked to share policies and regulations and development plans with the other members of the team. Meetings with all SWG Chairs were held in December 2014 to review the LEDS Terms of Reference that was presented to the EWG in May 2014, and to clarify assistance available

from the EC-LEDS program. The Forestry and Buildings SWG Chairs are planning meetings of their SWGs in Quarter 2 to discuss potential LEDS policies. EC-LEDS will assist the SWG Chairs to finalize agendas and invite speakers. The Buildings SWG will be invited to participate in the energy performance methodology and labeling workshop to benefit from stakeholder input on issues related to LEDS policies, including policies promoting mandatory building codes and requiring energy performance methodologies and labeling.

Provide advisory assistance to GOG

Year 2 assistance began with EC-LEDS cooperation with the USAID G4G program to document the assumptions in the energy emissions Reference/BAU scenario completed in Year 1 (in cooperation with HPEP, the precursor to G4G's energy sector assistance). Concurrently, EC-LEDS is revising the Reference/BAU scenario at the request of Deputy Minister of Energy Mariam Valishvili. The finalization of the revised BAU is awaiting confirmation of assumptions by the Ministry of Energy's Analytical Department.

EC-LEDS supported the Ministry of Energy as a joint convener of a workshop on sustainability criteria for biofuels in accordance with Directive 2009/28/EC. The workshop was organized by E4tech Sustainable Energy Services, the Energy Community Secretariat of the EU, and the Ministry of Energy. E4tech made a presentation on the EU's Biofuel & Renewable Energy Directive (RED), providing a brief overview of the status of biofuels in Europe, an introduction to biofuels in the context of the RED, legislative frameworks for biofuels in the EU, and fiscal measures for biofuel. The Energy Community Secretariat and E4tech reviewed key elements of specific relevant sections of the EU directive, including GHG requirements, wastes and residues, and land-use change. The EC-LEDS LEDS advisor made a presentation on "Biodiesel in Georgia" that included an overview of modern technologies for producing biofuel from biomass and other renewable sources, the current status of biofuel development in Georgia, and the interest expressed by foreign companies and potential investors in this sector.

A policy analysis approach for LEDS, including mitigation options, was prepared by EC-LEDS and shared with the SWGs. Based on feedback expected early in the next quarter, EC-LEDS will develop scenarios for review with the SWGs, the planning team, and the EWG. Chairs are expected to call SWG meetings in Quarter 2 to discuss the detailed policy scenarios they would like to consider for inclusion in the LEDS. The assistance to the Buildings SWG will include analyzing the cost-effectiveness of policies reflected in its draft Spatial Planning and Construction code (the Code), which has gone through several public hearings and will be submitted to the Parliament of Georgia for review and adoption during Year 2.

Environmental Protection Activities

The approved IEE for the EC-LEDS program confirmed the potential for significant adverse effects of one or more activities and recommended carrying out an Environmental Assessment (EA)[7] or Programmatic Environmental Assessment (PEA) pursuant to 22 CFR 216.3(a)(4). In Year 1, a scoping statement (SS) was developed for those EC-LEDS Clean Energy program components that are not subject to a categorical exclusion or negative

[7] An EA per 22 CFR 216.6, shall be prepared based on the SS and cleared by BEO prior to the start of activities that have not been excluded from further review.

determination with conditions (i.e., a positive determination) per the approved IEE. The purpose of the SS is to identify the potential impacts associated with the various project activities that might be implemented as part of the EC-LEDS program. USAID approved the SS in this quarter.

Following the approval of the SS, the Programmatic Environmental Assessment (PEA) was conducted and a stakeholder meeting was organized to obtain comments and feedback. The stakeholder meeting, held on November 28, 2014, was attended by 27 representatives of municipal governments, LEDS SWG members, and other stakeholders. The draft PEA will be submitted to USAID in quarter 2.

Cross-Cutting Activities

National Public Communications and Outreach
EC-LEDS and its service provider, PR firm Fast Forward Communications (FFC), finalized a 70-second Public Service Announcement (PSA). A series of five well-known Georgians of various profiles are depicted in environments reflective of their occupations to highlight key energy efficiency messages. EC-LEDS is planning a PSA launch event in February 2015.

EC-LEDS and FFC drafted a strategy for a Facebook campaign. The Facebook page is under development and will be launched in the second half of January 2015, followed by design and implementation of one or more targeted campaigns.

The EC-LEDS 15-second PSA about energy efficiency was aired in October and again during the month of December 2014 on Channel 1. EC-LEDS produced the Quarterly Newsletter Fall 2014. It was distributed during EC-LEDS events and via e-mail.

People with Disabilities (PWD), Youth and Gender

In December, EC-LEDS cooperated with the USAID-supported "Momavlis Taoba" (Future Generation) Program implemented by PH International. In 2010 PH International created a civics education web portal (www.civics.ge) within the framework of the USAID-funded Applied Civic Education and Teacher Training Program. The Momavlis Taoba Program has supported this web portal since 2014. The purpose of the web portal is to increase public awareness of civic education as a means to influence the knowledge, attitudes and behaviors of youth as active participants in Georgia's democratic society.

Students from the Momavlis Taoba Program Civics Club participated in a youth energy efficiency event, "Energy Efficiency Is a Smart Choice," in Kutaisi, Zugdidi, and Batumi on December 16-18, 2014, organized by the EC-LEDS program in cooperation with PH International. Seventy-five students from Kutaisi, Zugdidi, and Batumi schools participated in the event. The first two hours were dedicated to an information session entitled, "How to Save Energy." The Dean of Energy and Telecommunications at GTU, Professor Gia Arabidze, presented information on the importance of energy efficiency, ways of saving energy, energy audits, energy efficiency in the residential sector, energy efficient technologies, simple tips to save energy at home, energy efficient appliances, renewable energies, and

energy efficient/renewable energy projects implemented with donor support. In the second part of the event, the students participated in contests. They were given simple tests covering the topics of the session. The top three winners were awarded with medals. All students were awarded with Certificates of Participation. The participants (approximately 20-25 students from each partner school club) will return to their schools and conduct peer education training in their clubs for other students. They will use the handouts and other documentation received from the EC-LEDS during the session.

Cooperation with other USAID programs

1. Governing for Growth

Collaboration with other EC-LEDS planning activities began through meetings with G4G. Specifically, EC-LEDS cooperated with G4G in documenting the Energy Reference scenario that served as the initial BAU scenario for the LEDS.

2. Waste Management Technologies in Regions

EC-LEDS and the Waste Management Technologies in Regions program implemented by ICMA identified several opportunities to collaborate. In addition to continuing cooperation on outreach activities, the EC-LEDS team is considering co-funding waste GHG mitigation projects in Batumi and possibly Telavi and seeking funds to assist recycling businesses in becoming more energy efficient under the umbrella of SEAP implementation. Under Component 2, we plan to target businesses and municipalities by combining promotion of GB certification or energy performance labeling with recycling programs and might work together in funding demonstration projects. We will present the draft marketing plan to the WTR program staff in the next quarter.

3. Clima East

In Year 1, EC-LEDS submitted a proposal to Clima East for an urban development "Key Expert" to assist with SEAPs and is still working with Clima East to finalize the TOR and provide the expert. The Ministry of Economy and Sustainable Development is currently drafting its request for assistance for the Industrial and Transportation SWGs to complete its LEDS activities. It is expected that the industrial "Key Expert" will be asked to assist with developing costs and savings assumptions for non-energy mitigation actions, as well as other assistance for the SWG. The industrial mitigation data will be used for modeling mitigation actions using MARKAL Georgia, to be incorporated into the Industrial SWG's LEDS chapter and the Intended National Direct Contribution (INDC). The Ministry has asked EC-LEDS to assist in completing the Clima East Key Expert application for this industrial expert.

4. German Government

During this quarter, EC-LEDS participated in a workshop with other stakeholders to discuss the preparation of a Nationally Appropriate Mitigation Action (NAMA) concept for the buildings sector. Subsequent meetings with the German funded contractor, Ecofys, have led to agreements to build the NAMA concept on the EC-LEDS Component 2 activities.

The first INDC workshop was held in November. EC-LEDS participated in the workshop at the invitation of the MENRP, and agreed with GIZ, who is implementing the INDC assistance, to collaborate and ensure that activities complement each other and avoid duplication of efforts.

Following the INDC meeting, EC-LEDS participated in a joint meeting of the Forestry sub-working group to discuss the importance of the INDC. The details of the Global GIZ INDC support program were presented, including the overlap with LEDS. The workshop mainly focused on opportunities that afforestation and reforestation may bring to the country, but the overlap with the issue of firewood use for energy was also referenced.

5. European Union COM-East

EC-LEDS met with the COM East office throughout the quarter to discuss updates related to specific Georgian COM signatories and the status of SEAPS.

Local partner capacity-building

Local partner capacity-building is a key element of the EC-LEDS program, and Winrock is committed to building partners' capacity to work directly with USAID. Training and capacity-building provided during Year 1 contributed to local partners' success.

EC-LEDS collected information on 10 Georgian organizations with relevant technical experience and capabilities that could be potential candidates to receive a direct grant from USAID to carry forward some of the EC-LEDS work in a second phase of the program. Of these 10 organizations, we short-listed five for further analysis to assess their organizational capacity. The team drafted a scope of work for a local organizational capacity assessment consultant and short-listed organizations in December 2014. The target is to complete the assessment in the next quarter. The assessment will adapt and use the USAID Organizational Capacity Assessment Tool (OCAT) to evaluate the five short-listed organizations.

Lessons Learned

The process of organizing and preparing to develop a LEDS at the national level has taken more time than originally envisioned. The Government has focused primarily on developing the energy and non-energy BAUs during Year 1. While the climate change office is not yet focused on analyzing mitigation options, the SWGs are interested in this analysis. Highlighting their authority under the approved Terms of Reference for the SWGs is proving to be a useful approach in engaging and supporting them further in implementing their responsibilities under the TOR.

However, sectorial experts will be needed to assist the ministries in identifying appropriate mitigation policies, integrating these into their development plans, and drafting their LEDS. The limited EC-LEDS funds will necessarily focus on assisting those SWGs that are most active, supplemented by assistance from other willing donors, including Clima East and GIZ.

Some SWGs have simply not formed (Agriculture and Waste) and it is proving time-consuming for some SWGs (Transport and Industry) to formally request assistance from donors. It is clear that the LEDS drafted in Year 1 will likely not include the same level of detail for all sectors.

The impact of local elections demonstrated that flexibility is required to ensure the process of developing and implementing SEAPS, including commitments of municipal budgets for SEAP projects.

Year 2 Work Plan: Deliverables Submitted in Year 2 Quarter 1

Table 3 below lists the deliverables submitted by the EC-LEDS program during Quarter 1.

Table 3. Deliverables and products submitted during Year 2, Quarter 1

Component	Deliverable/Product	Date Submitted
All	EC-LEDS Work Plan for Year 2	September 15, 2014
Component 3	Presentation to the Ministry of Education and Science for the LEDS introduction	27-Oct-14
Component 3	Presentation to the Ministry of Agriculture for the LEDS introduction	28-Oct-14
All	EC-LEDS Annual Progress Report	31-Oct-14
Component 3	Presentation to the Ministry of Regional Development and Infrastructure for the LEDS introduction	31-Oct-14
Environmental Compliance	EC-LEDS Environmental Scoping Statement Report	13-Nov-14
Component 1	Memo on Updating Municipality Selection	13-Nov-14
Component 1	Report on Updated Selection of Municipalities for SEAP Assistance	13-Nov-14
Component 1	Final Grants Manual	24-Nov-14

III. PROGRAM PROGRESS (Quantitative Impact)

The indicators with Year 2 targets include outcome indicators OC2, OC3, OC4 and output indicators OP1, OP2, OP3, OP4, OP5, OP6, OP7, OP8, OP9, OP10, Op11, OP12, Op13, Op14, OP15, OP16, OP18, Op19, OP22, OP23.

During the reporting period, all the activities/actions were directed towards meeting the targets assigned for Year 2, however not all the actions can be quantified yet, as the process is ongoing and most of the results will be measured at the end of Year 2 and some of them will be measured mid-year. However, the indicators OP3, OP4, OP6, OP10, OP11, OP12, OP16, OP18, OP19, OP23 demonstrated progress against defined targets.

The targets for indicators OC2, OC3, and OC4 have been changed/amended. For OC2, the target from Year 1 was moved to Year 5; for OC3 the target was moved from Year 1 to Year 5; and for OC4, the target was moved from Year 1 and added to Year 2. Justification for these changes was outlined in the EC-LEDS Annual Report and the Year 2 Workplan.

The tables below demonstrate the achievements for the indicators with results, and include information on the relevant activities including name, geographic scope, and participants, including sex-aggregated data.

INDICATOR TITLE: **Quantity of greenhouse gas (GHG) emissions, measured in metric tons of CO2 equivalent ($CO2_{e)}$, reduced or sequestered as a result of USG assistance (OC 2)**					
UNIT: Metric tons of CO2	*DISAGGREGATE BY: None*				
	Geographic Location	*Event*	*Date*		*total*

Results:

Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
Metric tons of CO2	*0*	*0*	*0*	*43,000*		*55,000*		*236,000*	

INDICATOR TITLE: **Energy saved due to energy efficiency/conservation projects as a result of USG assistance (OC 3)**					
UNIT: GW/h_e	*DISAGGREGATE BY: Regions or municipality*				
	Geographic Location	*Event*	*Date*		*total*

Results:

Additional Criteria *If other criteria are important, add lines for setting targets and*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*

tracking									
GW/h_e	*0*	*0*		*62,000*		*75,000*		*315,000*	

INDICATOR TITLE: **Number of private sector clean energy investments (OC 4)**									
UNIT: USD	*DISAGGREGATE BY: Region or Municipality*								
	Geographic Location		*Event*		*Date*		*total*		
Results:									
Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
USD Million	*0*	*0*	*0*	*4.0*		*3.0*		*14.0*	

INDICATOR TITLE: **Number of low emissions development plans developed and/or implemented as a result of USG assistance (LEDS, SEAP, other) (OP 1)**									
UNIT: # Plans developed	*DISAGGREGATE BY: Phase of implementation (developed, implemented)*								
	Geographic Location		*Event*		*Date*		*total*		
Results:									
Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
	0	*3*	*3*	*4*	*0*	*3*		*10*	

# Plans developed									

INDICATOR TITLE **Number of Sustainable Energy Offices (SEOs) or shared Sustainable Energy Resource Centers established in participating municipalities (OP 2)**									
UNIT: # of Sustainable Energy Offices/ Sustainable Energy Resource Centers established	*DISAGGREGATE BY: New offices, ongoing offices*								
	Geographic Location	*Event*	*Date*		*total*				
Results:									
Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# Offices created	*0*	*0*	*0*	*3*	*0*	*2*		*5*	

INDICATOR TITLE: **Number of institutions with improved capacity to address climate change issues as a result of USG assistance (OP 3)**					
UNIT: Number of Institutions	*DISAGGREGATE BY: None*				
	Geographic Location	*Event*	*Date*		*total*
		3 Municipalities in Gori, Tbilisi, Poti attended on-job trainings on Data Collection and Analysis	*October-December, 2014*		*3*

Results:

Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# Number of Institutions	*0*	*9*	*10*	*5*	*3*	*0*		*14*	

INDICATOR TITLE: **Number of stakeholders using climate information in their decision making as a result of USG assistance (OP 4)**					
UNIT: Number of Stakeholders	*DISAGGREGATE BY: None*				
	Geographic Location	*Event*	*Date*		*total*
	Ministry of Energy, Ministry of Environment, Ministry of Economy, Ministry of Agriculture, Energy Efficiency Center, National Statistics Office of Georgia, Economic Council's Office , World Experience for Georgia	4 ministries and 4 other stakeholders participating in Sub-working Group (SWG), Expert Working Group (EWG) and Steering Committee (SC) meetings	*October-December, 2014*		*8*

Results:

Additional Criteria *If other criteria are*	***Baseline***	*Y1*	*Y2/Q1*	*Y3*	*End of Project*

important, add lines for setting targets and tracking		*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# Number of Stakeholders	*0*	*8*	*12*	*6*	*8*	*0*		*14*	

INDICATOR TITLE: **Number of laws, policies, strategies, plans, agreements or regulations addressing climate change mitigation officially proposed, adopted, or implemented as a result of USG assistance (OP 5)**					
UNIT: Number of Laws, Policies, Strategies	*DISAGGREGATE BY: None*				
	Geographic Location	*Event*	*Date*		*total*

Results:

Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# Number of Laws, Policies, Strategies	*0*	*1 proposed*	*1 proposed*	*1 proposed*		*1 adopted*		*1 adopted 2 proposed*	

INDICATOR TITLE: **Number of climate change mitigation tools, technologies or methodologies developed, tested and/or adopted as a result of USG assistance (OP 6)**					
UNIT: Number of Tools	*DISAGGREGATE BY: None*				
	Geographic Location	*Event*	*Date*		*total*
	For all municipalities	Testing of the muni-EIPMP tool in all municipalities	*October-December,*		*1*

			2014		

Results:

Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2/Q1*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# Tools	*0*	*1*	*2*	*2*	*1*	*2*		*5*	

INDICATOR TITLE: **Number of households/ business/ public institutions implementing energy efficiency measures as a result of USG assistance (OP 7)**

UNIT: # of electricity consumers implementing energy efficiency measures	*DISAGGREGATE BY: None HH, Businesses, Institutions*				
	Geographic Location	*Event*	*Date*		*total*

Results:

Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*

# Households	0	0	0	500 2		1000 8		1500 10	
# businesses	0								
# institutions	0			2		8		10	

INDICATOR TITLE: **Number of climate change mitigation projects implemented as a result of USG assistance (OP 8)**

UNIT:	DISAGGREGATE BY: None				
# of climate change mitigation projects	Geographic Location	Event	Date		total
	For all municipalities				

Results:

Additional Criteria If other criteria are important, add lines for setting targets and tracking	Baseline	Y1		Y2		Y3		End of Project	
		Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
# Projects	0	0	0	5	0	15		20	

INDICATOR TITLE: **Number of buildings labeled based on green building or energy efficiency standards (OP 9)**

UNIT:	DISAGGREGATE BY: Received, Approved				
# of the buildings	Geographic Location	Event	Date		total

Results:									
Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# Buildings	*0*	*0*	*0*	*2*		*4*		*10*	

INDICATOR TITLE: **Number of individuals reached through outreach campaigns (OP 10)**					
UNIT: Number of Individuals	*DISAGGREGATE BY: None*				
	Geographic Location	*Event*	*Date*		*total*
	Georgia	*Public Service Announcement – airing of EC-LEDS Energy Efficiency PSA as a Social Advertisement on GPB Channel 1*	*October 1-12, 2014 December 2-12, 2014*		*240, 000 individuals*
	Kutaisi, Zugdidi, Batumi	*Youth Energy Efficiency Event*	*December 16-18, 2014*		*75 individuals (54 – female, 21-male)*
	Batumi	*Street Art - Energy Efficiency street painting on Batumi Port wall*	*October-December, 2014*		*165, 000 individuals*
					In Total (Y2 Quarter 1)– 405,075

Results:									
Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2/Q1*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
	0	*250,000*	*254,157*	*250,000*	*405,075*	*250,000*		*1 million*	

# Number of Individuals									

INDICATOR TITLE: **Number of USG-supported training or activities that contribute to building the EE knowledge and skills in the GOG, Municipalities, industry and other stakeholders (OP 11)**					
UNIT: Number of Training activities	*DISAGGREGATE BY: None*				
	Geographic Location	*Event*	*Date*		*total*
	Gori, Tbilisi, Poti	*"On job training in the sectors of public lighting, transport, waste, building, waste water management, greening on data collection and analysis"*	*October-December 2014*		
	Tbilisi	*Training-workshop "Inventory of GHGs, development of a Business as Usual (BAU) scenario and mitigation measures in transport, outdoor lighting and building sectors"*	*27 November, 2014*		
	Tbilisi	*Training of the professionals in green building principles, application of LEED and BREEAM rating tools*	*September 30 – October 1, 2014*		***In total 3events for Quarter 1 , Year 2***

Results:

Additional Criteria *If other criteria are important, add lines for setting targets and*	***Baseline***	*Y1*		*Y2/Q1*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*

tracking									
# Training activities	*0*	*6*	*10*	*30*	*3*	*14*		*50*	

INDICATOR TITLE: **Number of individuals receiving USG supported training in technical energy fields (OP 12)**					
UNIT: Number individuals	*DISAGGREGATE BY: None*				
	Geographic Location	*Event*	*Date*		*total*
	Gori, Tbilisi, Poti	*"On job training in the sectors of public lighting, transport, waste, building, waste water management, greening on data collection and analysis"*	*October-December 2014*		*12 (3 female, 9 male)*
	Tbilisi	*Training-workshop "Inventory of GHGs, development of a Business as Usual (BAU) scenario and mitigation measures in transport, outdoor lighting and building sectors"*	*27 November, 2014*		*12 (3 female, 9 male)*
	Tbilisi	*Training of the professionals in green building principles, application of LEED and BREEAM rating tools*	*September 30 – October 1, 2014*		*12 (2 female, 10 male)*
					In total 36 individuals for Quarter 1 , Year 2

Results:									
Additional Criteria *If other criteria are important, add lines for setting targets and*	***Baseline***	*Y1*		*Y2/Q1*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*

tracking									
# Individuals	*0*	*50*	*76*	*50*	*36*	*0*		*100*	

INDICATOR TITLE: **Value of grants disbursed as a result of USG assistance for scientific research and energy efficiency pilot projects (OP 13)**									
UNIT: # Value of grants distributed	*DISAGGREGATE BY: None*								
	Geographic Location	*Event*	*Date*		*Total*				
	For all municipalities								
Results:									
Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# Value of grants	*0*	*0*	*0*	*300,000*		*200,000*		*500,000*	

NDICATOR TITLE: **Number of promotional plans and campaigns implemented to increase awareness of citizens about energy efficiency (OP 14)**									
UNIT: Number of Plans	*DISAGGREGATE BY: None*								
	Geographic Location	*Event*	*Date*		*total*				
Results:									
Additional Criteria *If other criteria are*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	

important, add lines for setting targets and tracking		*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# Plans	*0*	*2*	*2 (Implementation Ongoing)*	*2*	*2*	*2*	*2*	*2*	*2*

INDICATOR TITLE: **Number of beneficiaries receiving improved infrastructure services due to USG assistance (OP 15)**					
UNIT: #of beneficiaries receiving improved infrastructure services	*DISAGGREGATE BY: None*				
	Geographic Location	*Event*	*Date*		*total*
Results:					

Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# of Beneficiaries	*0*	*0*	*0*	*1*		*2*		*3*	

INDICATOR TITLE: **Number of individuals receiving USG supported training in energy related policy and regulatory practices (OP 16)**				
UNIT: Number individuals	*DISAGGREGATE BY: None*			
	Geographic Location	*Event*	*Date*	*Total*
	Gori, Tbilisi, Poti	*"On job training in the sectors of public lighting, transport, waste, building, waste water management, greening on data collection and analysis"*	*October-December 2014*	*12 (4 female, 9 male)*

	Tbilisi	*Training-workshop "Inventory of GHGs, development of a Business as Usual (BAU) scenario and mitigation measures in transport, outdoor lighting and building sectors"*	*November, 27, 2014*	*12 (4 female, 9 male)*
	Tbilisi	*Planning Team Meeting*	*October 01, 2014*	*12 participants (6 female, 6 male)*
	Tbilisi	*LEDS EWG Meeting*	*October 02, 2014*	*12 participants (6 female, 6 male)*
	Tbilisi	*Industry SWG Meeting*	*November 10, 2014*	*9 participants (4 female, 5 male)*
	Tbilisi	*Planning Team Meeting*	*November 11, 2014*	*7 participants (5 female, 2 male)*
	Tbilisi	*Forestry SWG Meeting*	*November 25, 2014*	*10 participants (3 female, 7 male)*
				Total for Quarter 1, Year 2 is 76 individuals (32 female, 44 male)

Results:

Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2/Q1*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# Individuals	*0*	*40*	*137*	*50*	*76*	*0*		*90*	

INDICATOR TITLE: **Number of MRV plans developed to track impact of SEAPs implementation (OP 17)**					
UNIT: Number of Plans	*DISAGGREGATE BY: None*				
	Geographic Location	*Event*	*Date*		*total*

Results:

Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# Plans	*0*	*4*	*4*	*3*		*3*		*10*	

INDICATOR TITLE: **Number of individuals at national and local level trained in climate change as a result of USG assistance (OP18)**					
UNIT: Number of Individuals	*DISAGGREGATE BY: None*				
	Geographic Location	*Event*	*Date*		*total*
	Gori, Tbilisi, Poti	*"On job training in the sectors of public lighting, transport, waste, building, waste water management, greening on data collection and analysis"*	*October-December 2014*		*12 (3 female, 9 male)*
	Tbilisi	*Training-workshop "Inventory of GHGs, development of a Business as Usual (BAU) scenario and mitigation measures in transport, outdoor lighting and building sectors"*	*27 November, 2014*		*12 (3 female, 9 male)*
	Tbilisi	*Training of the professionals in green building principles, application of LEED and BREEAM rating tools*	*September 30 – October 1, 2014*		*12 (2 female, 10 male)*
					In total 36 individuals for Quarter 1 ,

					Year 2

Results:

Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2/Q1*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# Individuals	*0*	*10*	*67*	*40*	*36*	*20*		*70*	

INDICATOR TITLE: **Number of developers, investors/building owners/buyers aware of the green building rating and certification system (OP 19)**					
UNIT: Number of Businesses	*DISAGGREGATE BY: None*				
	Geographic Location	*Event*	*Date*		*total*
	Tbilisi	*Meetings with leading companies and organizations: Heidelberg Georgia, AmCham, Cushman and Wakefield, Colliers International, Deloitte*	*December, 15-19, 2014*		*5*

Results:

Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Results Achieved by Q2, 2014*	*Y1*		*Y2/Q1*		*Y3*		*End of Project*	
		Achieved	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# Businesses	*0*	*14*	*10*	*14*	*20*	*5*	*0*		*30*	

INDICATOR TITLE: **Number of decisions made by LEDS steering committee or involved agencies using analysis based on MARKAL or other appropriate tools (OP22)**					
UNIT: Number of decisions	*DISAGGREGATE BY: None*				
	Geographic Location	*Event*	*Date*		*total*

Results:

Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# of decisions		*0*	*0*	*2*		*0*		*2*	

INDICATOR TITLE: **Number of individuals trained on green building rating systems (OP23)**					
UNIT: # of individuals trained	*DISAGGREGATE BY: Gender*				
	Geographic Location	*Event*	*Date*		*Total*
	Tbilisi	*Training of the professionals in green building principles, application of LEED and BREEAM rating tools*	*September 30-October 1, 2014*		*12 participants (2- females, 10-males)*

Results:

Additional Criteria *If other criteria are important, add lines for setting targets and tracking*	***Baseline***	*Y1*		*Y2/Q1*		*Y3*		*End of Project*	
		Target	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*	*Target*	*Achieved*
# Number of individuals trained	*0*	*0*	*0*	*10*	*12*	*0*		*10*	

IV. MONITORING

No monitoring was conducted during Quarter 1 of Year 2.

V. PROJECT ADMINISTRATION

Constraints and Critical Issues

After the selection of municipalities for assistance in Year 2 and after receiving the official letter of the Mayor of Poti reiterating the city's interest in receiving technical assistance for SEAP development and implementation, EC-LEDS faced serious challenges related to regular communication with and feedback from the representatives of Poti Municipality. Despite several attempts to contact them via email and phone, no response has been received. Therefore, EC-LEDS will continue work with the independent expert working in Poti, but will at the same time begin working with Telavi earlier than initially scheduled. The problem is related to the internal conflicts among City Senior Management. We hope this will be resolved soon and we will be able to continue cooperation with Poti. If not, EC-LEDS will be forced to replace Poti with Akhaltsikhe City Municipality.

The GBC Georgia faced delays in hiring its Communications and Outreach specialist. The staff person was finally hired in Quarter 1. This has delayed work on developing and implementing the Green Building Certification Marketing Action Plan. Winrock will work closely with GBC Georgia to ensure that results expected under Component 2 are met.

Under Component 3, to date the GOG Climate Change (CC) office has focused on the BAU, for good reason. The draft energy BAU was not completed (based on the HPEP assisted energy reference scenario) until late in Year 1 and the CC office took responsibility for developing the non-energy BAUs. Now that the INDC is a top priority, the CC office made it clear it is still only focused on the BAU step in the LEDS process. In order to keep moving forward, EC-LEDS has had to work directly with the SWGs that are interested in this assistance to fulfill their requirements under the LEDS TOR adopted by the EWG. However, this proactive approach has the potential to annoy the CC office. If the Prime Minister's Economic Council agrees to take over the coordination of LEDS, as the MENRP First Deputy will request, or if the First Deputy ensures improved coordination and commitment from top levels of government to draft and implement LEDS policies, this could mitigate this risk.

Personnel

Mr. David Gvenetadze, Monitoring & Evaluation Specialist, and Ms. Mariam Bakhtadze, Environmental Specialist, left the EC-LEDS program during this quarter. EC-LEDS announced both positions and selected candidates who will begin work in Quarter 2. Mr. Mikheil Khuchua, selected as the Environmental Compliance Specialist, and Ms. Maya Giorbelidze, selected as Monitoring & Evaluation Specialist, will join the EC-LEDS team beginning January 1, 2015.

In addition to the program staff, the following technical resources were added to the team during Year 2, Quarter 1 to support the program activities and objectives:

- Mr. Balazs Csuvar was engaged as a short-term consultant to assist with review of Georgian organizations working in municipal energy and green and energy efficient buildings.

- Two Energy Efficiency and Renewable Energy consultants, Mr. Gia Arabidze and Mr. Tengiz Jishkariani, were hired. These two professors from the Georgian Technical University will support the EC-LEDS program in building awareness of Energy Efficiency and Renewable Energy by delivering presentations and information sessions on these topics to youth in the regions of Georgia.

Cooperative Agreement Modifications and Amendments

During Year 2, Quarter 1, Winrock's EC-LEDS Cooperative Agreement was modified once. Modification #4 was issued on November 21, 2014. The purpose of this Modification was to add mandatory provisions on USAID Implementing Partner Notice (IPN) and Submission Datasets to Development Data Library (DDL) and Whistle Blower protection.

VI. QUARTER 2 WORK PLAN

The work plan for Year 2 was submitted to USAID on September 15, 2014, the revised date per an Agreement amendment approved by USAID on June 10, 2014. EC-LEDS is currently revising the work plan based on feedback from USAID.

Annex I: Schedule of Planned Future Events

Component 1

The second Muni-EIPMP training will take place in February and will be dedicated to the topics of Inventory of GHGs, development Business as Usual (BAU) scenario and mitigation measures in greening and waste. The training will also include a review of the results of the previous training in the sectors of transport, outdoor lighting, and buildings.

Component 2

A workshop is tentatively planned for Quarter 2 to discuss the differences between the EU's Energy Performance Buildings Directive (EPBD) and the International Code Council's (ICC) International Energy Conservation Code (IECC) energy performance methodologies and recommendations for Georgia. This workshop will also address the issues of how to incorporate the energy performance methodology being developed with EC-LEDS support into future policies, norms and standards and link to energy performance labeling programs.

Component 3

No events are currently planned for Quarter 2 at this point.

Public Outreach

EC-LEDS plans to hold an event to launch the PSA in March 2015. A youth EE event will also be held in Tbilisi in Quarter 2.

The proposed upcoming events are listed in Annex I Table 1 below.

Annex I Table 1. Upcoming Events for Year 2, Quarter 2

Component	Event	Date/Location
1	SEAP Training #2 on Inventory, BAU and measures	February 2015, Tbilisi
2	Energy Performance Methodology Workshop	February, 2015 Tbilisi
Outreach	PSA Launch event	March 2015, Tbilisi
Outreach	Youth EE Event	March 2015, Tbilisi

Annex II: Quarter 2 Planned Deliverables and Products

Component 1

In the next quarter EC-LEDS will deliver the final SEAPs for Zugdidi, Kutaisi, Batumi, and Gori. Gori's SEAP will include an MRV plan, a communications strategy, and a detailed project proposal. We will also deliver a report on the legal basis and business models for the SEOs We will finalize and deliver the training reports for the September and November 2014 SEAP trainings.

Component 2

The report on the LEED and BREEAM training held in October 2014 will be delivered in the next quarter. The Green Building Certification Marketing Action Plan will also be submitted to USAID in quarter 2.

Component 3

No deliverables are due in quarter 2 for this component.

Communications and Outreach

We will deliver a report on the planned Green Building TV program.

As part of the EC-LEDS outreach activities, the program will produce media monitoring reports for upcoming events where applicable. A series of printed materials as collaterals to events, including brochures on GB, energy efficiency, and SEAP awareness, will be prepared.

Environmental Monitoring

The Draft Programmatic Environmental Assessment (PEA) will be submitted in Quarter 2.

Annex II Table 1 summarizes the deliverables and other documents to be submitted to USAID during the fourth quarter of the program.

Annex II Table 1. Year 2 Quarter 2 Planned Deliverables and Documents

Component	Deliverable	Due Date to USAID
Component 1	Municipal Training #1 Report - Data Training	Jan-15
Component 1	Muni training #2 Report- Inventory and BAU Training	Jan-15
Component 2	Report on LEED and BREEAM TOT workshop	Jan-15
Component 2	Report on Green Building TV Show Plan	Jan-15
Component 2	Green Building Certification Marketing Action Plan	Mar-15
Environmental Compliance	Draft PEA	Jan-15

Annex III: Success Story

Youth Education Is A Solution For Wider Accessibility To Energy Efficiency

Energy Efficiency Is A Smart Choice - USAID supported youth empowerment through energy efficiency education in West Georgian schools.

"Participation in the information session on Energy Efficiency helped me and my peers to learn about energy saving issues, which was really new for us. After the seminar I am confident that energy efficiency is certainly a reasonable choice. I was especially impressed by quiz that followed the seminar to assess obtained knowledge by students and was very effective."

— Lorena Parjikia, 10th grade Student from Village Chankviji Public School, Zugdidi Municipality

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75 students from Kutaisi, Zugdidi and Batumi schools took part in a Youth Energy Efficiency Event in December 2014. The USAID-supported Enhancing Capacity for Low Emission Development Strategies (EC-LEDS) Clean Energy Program empowered youth through training on energy efficiency and renewable energy technologies. The main objective was to involve youth in energy efficiency, contributing to climate change mitigation. Children were introduced to the importance of energy efficiency, how to conduct an energy audit, energy efficient technologies and simple tips to save energy at home, and donor funded energy efficiency/renewable energy and climate change projects.

The students were selected from civic clubs that unite students in grades 9 to 12 throughout Georgia, facilitating youth involvement and, through civic education, promoting transparent and accountable governance. Students from Kutaisi, Zugdidi and Batumi participated in a contest "Energy Efficiency Is A Smart Choice". They were given simple energy efficiency tests covering the session topics with the top three winners receiving medals. All students were awarded participation certificates.

Students were excited about the information learned and some of them even decided to apply to the undergraduate energy program at the Georgian Technical University. "During the seminar I learned how to save energy. Now I think that each family should save energy as it is directly connected to state budget savings and development of other fields" said Maia Avaliani, a 10th grade student from village Grigolishi Public School in Zugdidi. After the event, students made commitments to conduct simple home energy audits and spread the word about energy saving measures in their families and schools.

The EC-LEDS Clean Energy Program is supported by USAID and implemented by Winrock International Georgia. Through this program, USAID supports Georgia's efforts to increase climate change mitigation through energy efficiency and clean energy activities. The event was organized with the support of PH International within the framework of the USAID-supported "Momavlis Taoba" (Future Generation) Program which sponsors the civic clubs.